O 141130Z DEC 04
FM AMEMBASSY JAKARTA
TO SECSTATE WASHDC IMMEDIATE 6913
INFO AMEMBASSY CANBERRA IMMEDIATE
AMEMBASSY TOKYO IMMEDIATE
AMEMBASSY WELLINGTON IMMEDIATE
USMISSION USUN NEW YORK IMMEDIATE
SECDEF WASHDC IMMEDIATE
USCINCPAC HONOLULU HI IMMEDIATE
NSC WASHDC IMMEDIATE

CONFIDENTIAL JAKARTA 012319

E.O. 12958: DECL: 12/14/2009
TAGS: PREL PGOV MARR PHUM TT ID
SUBJECT: INDONESIAN DEFMIN SUDARSONO ON EAST TIMOR
ACCOUNTABILITY, MILITARY REFORM

Classified By: AMBASSADOR B. LYNN PASCOE. REASON: 1.4 (b, d)

- 11. (C) Summary. In a December 13 introductory call by the Ambassador, Indonesian Defense Minister Juwono Sudarsono said the GOI was working on a proposal to form a Commission for Humanitarian Reconciliation to address human rights violations perpetrated in East Timor in 1999. The commission would consist of representatives of the GOI and East Timor, with the possibility of United Nations participation. Sudarsono candidly addressed the challenges he faced in imposing civilian control over the Indonesian military and bringing the military's revenues on-budget. End summary.
- 12. (C) Minister Sudarsono noted that in a 1997 trip to Washington, he had given a speech at Georgetown University entitled "Managing the Strained U.S.-Indonesian Bilateral Relationship." The theme was still relevant. Ambassador Pascoe replied that in general, Washington perceptions of Indonesia were straightforward: the U.S. recognizes the importance of a stable and prosperous Indonesia to the Southeast Asia, and the significance of Indonesia as a large and successful Islamic democracy. However, the U.S. has two requirements for normalized military-to-military relations: accountability for the East Timor human rights violations in 1999, and transparency in the military budget. Ambassador noted that it was difficult to provide assistance to an organization whose real budget and needs are unknown.

East Timor Accountability

13. (C) Sudarsono said he had recently met with President Yudhoyono and Foreign Minister Wirajuda to discuss East Timor accountability. The GOI, he said, was seeking a "legally sound and practically feasible" approach to the problem, and is now considering forming a bi-national humanitarian reconciliation commission with members of the East Timor government and perhaps some representation by the United Nations. Sudarsono conceded that the Indonesian judicial system could not meet international standards of credibility on human rights issues due to administrative, logistical, and financial shortcomings. These had resulted in bad verdicts in human rights cases in East Timor and Aceh. Moreover, witnesses were often uncooperative due to their fear of judges and prosecutors. Sudarsono noted that any intended inquiry into East Timor would face vociferous opposition in parliament (DPR). Ambassador suggested that a UN role on the commission would be appropriate, given the promise by Indonesia to the UN that it would maintain the security of the 1999 referendum. He said he understood that any commission had to be pitched to the DPR as helping Indonesia overcome its own concerns about 1999.

TNI Transparency

 $\P4$. (C) Turning to TNI reform, Sudarsono said that although the new military law foresaw a five-year period for bringing all military revenues on-budget, he thought that eight years was a more practical timeframe. He said that the GOI had taken a comparative approach to the issue, looking at how

China, Thailand, the Philippines, India, and Pakistan had dealt with the matter. Sudarsono said he hoped to secure "fast-track" authority from the Ministry of Finance to convert larger TNI-owned business into "semi-state-owned enterprises" with the government as a partial shareholder. Over the longer term, the TNI's budget must be increased to make up for the resulting shortfalls in revenues. Ambassador Pascoe noted that presenting a credible plan for military budget transparency and beginning its implementation would be very helpful in assuaging concerns about the TNI's budget process.

15. (C) Procurement, Sudarsono said, was another challenge. Unlike in the past, there are now many in the military with the ability to make procurement deals, creating "a room with many doors." Many up-and-coming younger officers now were eager to take advantage of these lucrative opportunities. He was working to bring this process under control.

Civilian Control Over the Military

 $\P6$. (C) Sudarsono turned to the challenge of consolidating civilian control over the military. Indonesia had a successful election, but is still in the process of transition to democracy. The civilian government would have to put its house in order before it could establish supremacy over the military. Although he had a "road map" to complete this over a three to four year period, the task might require fifteen years, he said. It was difficult, he noted, to "add substance to the notion of democratic accountability.' Resistance on the part of the Army was particularly stiff, he said. Dealing with the other services, he said, was somewhat easier. Part of the problem, Sudarsono noted, was that both the Minister of Defense and the Commander of the Armed Forces sat in the Cabinet on an equal legal basis. Moreover, while the President had direct authority over deployment, the Minister's authority was confined to "coordinating control" over budgetary, strategic, and logistical matters. He said he was working with his friends in the DPR to amend the recently passed TNI law to strengthen civilian control.

Comment

17. (C) Sudarsono candidly outlined the challenges he faces in consolidating civilian control over the military and bringing its revenues on budget. In both instances, he freely acknowledged the formidable hurdles posed by ingrained institutional culture and generational attitudes, and conceded that the time frames designated in the TNI bill might not be adequate. On East Timor accountability, we are encouraged by Sudarsono's willingness to break from the oft-heard official insistence on purely national or bilateral mechanisms and his implicit acknowledgement that the GOI must seek a new way to meet international standards of accountability. This was in contrast to the Coordinating Minister for Policy, Legal and Security Affairs later the same day (septel). End comment.

PASCOE